सीमाशुल्क (अपील) आयुक्तका कार्यालय, अहमदाबाद
OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD
चौथी मंज़िल 4th Floor, हडको बिल्डिंग HUDCO Building, ईश्वर भुवन रोड़ Ishwar Bhuvan Road,
नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad – 380 009.
दूरभाष क्रमांक Tel. No. 079-26589281

DIN-20260871MN0000741ED4

क	फ़ाइल संख्या FILE NO.	S/49-145/CUS/JMN/JUN/2025-26
ख	अपील आदेश संख्या ORDER-IN-APPEAL NO. (सीमा शुल्क अधिनियम, 1962 की धारा 128क के अंतर्गत)(UNDER SECTION 128A OF THE CUSTOMS ACT, 1962) :	JMN-CUSTM-000-APP-46-2026-27
ग	पारितकर्ता PASSED BY	Shri Vishwajeet Singh Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	07.08.2026
ङ	उदभूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER-IN-ORIGINAL NO.	01/DC/PBR/KSS/25-26/Refund dated 29.07.2026
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	07.08.2026
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	1. M/s Arcadia Shipping & Trading Co., 5th Floor, City Point, Opposite Town Hall, Jamnagar

1	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है.
	This copy is granted free of cost for the private use of the person to whom it is issued.
2.	सीमाशुल्क अधिनियम 1962 की धारा 129 डी डी (1) (यथा संशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकते है.
	Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order.
	निम्नलिखित सम्बन्धित आदेश/Order relating to :
(क(	बैगेज़ के रूप में आयातित कोई माल.
(a)	any goods imported
(ख(	भारत में आयात करने हेतु किसी वाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे न गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे न जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो.
(b)	any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
(ग (	सीमाशुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी.
(c)	Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
.3	पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उस के साथ निम्नलिखित कागजात संलग्न होने चाहिए :
	The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by :
(क)	कोर्ट फी एक्ट,1870 के मद सं.6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए.
(a)	4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870.
(ख)	सम्बद्ध दस्तावेज़ों के अलावा साथ मूल आदेश की 4 प्रतियां, यदि हो
(b)	4 copies of the Order-in-Original, in addition to relevant documents, if any
(ग)	पुनरीक्षण के लिए आवेदन की 4 प्रतियां
(c)	4 copies of the Application for Revision.

(घ)	पुनरीक्षण आवेदन दायर करने के लिए सीमाशुल्क अधिनियम, 1962 (यथा संशोधित) में निर्धारित फीस जो अन्य रसीद, फीस,दण्ड,जब्ती और विविध मदों के शीर्ष के अधीन आता है में रु. 200/-(रूपए दो सौ मात्र)या रु.1000/-(रूपए एक हज़ार मात्र), जैसा भी मामला हो, से सम्ब न्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दो प्रतियां. यदि शुल्क, मांगा गया ब्याज, लगाया गया दंड की राशि और रूपए एक लाख या उससे कम हो तो ऐसे फीस के रूप में रु.200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु.1000/-
(d)	The duplicate copy of the T.R.6 challan evidencing payment of Rs.200/- (Rupees two Hundred only) or Rs.1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs.200/- and if it is more than one lakh rupees, the fee is Rs.1000/-.
4.	मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बंन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमाशुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमाशुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं
	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :
	सीमाशुल्क, केंद्रीय उत्पाद शुल्क व सेवा कर अपीलिय अधिकरण, पश्चिमी क्षेत्रीय पीठ **Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench**
	दूसरी मंज़िल, बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016 2nd Floor, Bahumali Bhavan, Nr.Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साथ निम्नलिखित शुल्क संलग्न होने चाहिए-
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -
(क)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उससे कम हो तो एक हज़ार रुपए.
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;
(ख)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पांच हज़ार रुपए
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;
(ग)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हज़ार रुपए.

(c)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees
(घ)	इस आदेश के विरुद्ध अधिकरण के सामने, मांगे गए शुल्क के %10 अदा करने पर, जहां शुल्क या शुल्क एवं दंड विवाद में हैं, या दंड के %10 अदा करने पर, जहां केवल दंड विवाद में है, अपील रखा जाएगा ।
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.
6.	**उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील : - अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.**
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal- (a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or (b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.

ORDER-IN-APPEAL

1. Brief facts of the case

1. M/s Arcadia Shipping & Trading Co., 5th Floor, City Point, Opposite Town Hall, Jamnagar (herein after referred to as the "Appellant for the sake of brevity) has filed the present appeals against Orders-In-Original 01/DC/PBR/SS/25-26/REFUND dated 29.04.2025 (herein after referred to as the "impugned orders") issued by the Assistant Commissioner, Customs Division, Bhavnagar (herein after referred to as the "Adjudicating Authority).

1.2 The Appellant imported two grabs of at Jamnagar on 27.04.2006. The Appellant vide their letter dated 29.04.2006 requested the Superintendent Custom House, Jamnagar to unload the grabs at shore for sending it in due course to the incoming other vessel for cargo handling and also executed bond dated 29.04.2006 before Superintendent, Jamnagar as agent for the owner of the said grabs i.e. M/s. Martrade Shipping + Transport Gmbh, Germany. Further, M/s. Arcadia requested to the Supdt, Jamnagar to send the grabs to Porbandar Port and place on board of the vessel M.V. Antarios Breeze which was arriving on 07.09.2006.

1.3 Meanwhile, M/s. Kayur Shipping, Porbandar vide their letter dated 04.09.2006 had requested the Superintendent, CH, Porbandar to grant them permission for taking five grabs to wharf new jetty area for loading of Bauxite on to M.V. Antarios Breeze. Acting upon intelligence, the Supdt, CH, Porbandar made an enquiry about the two grabs which were imported at Jamnagar and the same were found at Porbandar Jetty. The Supdt, CH, Porbandar detained the said grabs vide detention memo dated 09.09.2006 under a reasonable belief that the same were liable for confiscation.

1.4. Further, after completion of investigation, SCN was issued vide Show Cause Notice No. VIII/10-35/Commr/2006 dated 07.03.2007, which was adjudicated vide OIO No. 02/Commissioner/2008 dated 15.01.2008 wherein the Commissioner, Customs (Prev), Jamnagar confirmed the duty amounting to Rs. 24,51,459/- along with interest and penalty and also ordered for confiscation of the said grabs and imposed fine in lieu of confiscation amounting to Rs.5,00,000/-.

1.5. Being Aggrieved from the said order, Applicant preferred an appeal before CESTAT, Ahmedabad and also paid redemption fine of Rs.5,00,000/- vide challan dated 15.04.2010. Further the CESTAT, Ahmedabad vide their order No.

Vishwajeet Singh

A/12581/2017 dated 15.09.2017 allowed appeal partly and considered it only a procedural contraventions of the customs. law for which penalty of Rs. 2,45,145/- was imposed under section 112(a) of the Customs Act 1962 and set aside remaining demand of customs duty, imposition of penalty and redemption fine imposed and confirmed in the said O-I-O dated 15.01.2008. Further, the department preferred a tax appeal no. 598/2018 before Hon'ble High Court of Gujarat against said CESTAT Order dated 15.09.2017. The Hon'ble High Court of Gujarat disposed the department appeal on monetary ground vide oral order dated 20.03.2024. .

1.6 In pursuance of order No. A/12581/2017 dated 15.09.2017 issued by CESTAT, Ahmedabad and an oral order dated 20.03.2024 issued in tax appeal no. 598/2018 by the Hon'ble High Court of Gujarat; the applicant filed the refund claim amounting to Rs. 5,00,000/- along with applicable interest.

1.7. The Adjudicating Authority sanctioned the refund of Rs. 5,00,000,/- to the Appellant and rejected the claim of interest.

1.8 Being aggrieved by the impugned order, the Appellant preferred the present appeals.

2. Ground of Appeal submitted by the Appellant

2.1 The Appellant submitted that an order for refund of redemption fine of Rs.5,00,000/- was sanctioned on 29.04.2025. However, no interest on such refund was granted to the appellant. Appellant further submits that it is a settled position in law that "no tax shall be levied or collected except by authority of law" (Article 265, Constitution of India). In the present case, the CESTAT, Ahmedabad, vide order dated 15.09.2017, set aside the imposition of redemption fine of ₹5,00,000/- imposed vide OIO dated 15.01.2008. The Hon'ble High Court of Gujarat has also upheld the said CESTAT order by dismissing the departmental appeal on monetary grounds, thereby finalizing the adjudication in appellant's favor. Hence, retention of redemption fine by the department lacks legal sanction and is contrary to Article 265.

2.2 The Appellant further submitted that it relies on the landmark judgment of the Hon'ble Supreme Court in Commissioner of Customs (Import) vs. M/s Finacord Chemicals (P) Ltd. (Civil Appeal Nos. 1633-1638 of 2004], where it was held that when any amount is retained without lawful authority, the government is liable to pay interest as compensation for unjust enrichment. Similarly, in M/s Sona Plastic Udyog vs. Commissioner, CGST & CE, CESTAT Delhi granted interest on the refund of redemption fine. These cases lay down the principle that interest is payable even if the fine is not classified as "duty", where the

amount was later found not due and had been unjustly retained.

COMMISSIONER OF CUSTOMS (IMPORT), RAIGAD Vs M/s FINACORD CHEMICALS (P) LTD & ORS 2015-TIOL-104-SC-CUS

Customs - Refund of deposit (not towards duty) - No unjust enrichment – Department ordered to refund amount with interest of 13%: The appellant had not imported the goods in question. In the adjudication proceedings, while imposing the duty against the importers, a categorical finding was also recorded at the same time that the appellant had no role to play therein and was a bona fide purchaser of the goods from the importer. It is also manifest that the appellant came into picture only when the goods purchased by the appellant were seized by the custom department and he had to approach the High Court of Bombay for the release of those goods. What is significant is that as a condition for the release of the said goods, interim order directing the appellant to deposit the amount in the sum of Rs. 1,56,64,500 was passed. It was not towards any custom duty. In this scenario, it is difficult to hold that the principle of unjust enrichment can at all be applied. Since the amount in question was deposited in compliance with the interim order passed by the High Court of Bombay, which was not towards duty, the question of unjust enrichment would not arise at all. The entire amount shall be refunded along with interest calculated at the rate of 13 per cent per annum.

Appeal allowed in favor of assesse

M/S. SONA PLASTIC UDYOG VS THE COMMISSIONER CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL NEW DELHI PRINCIPAL BENCH COURT NO. IV EXCISE APPEAL NO. E/51237/2022

16. In view of entire above discussion and the relied upon case laws, it is clear that since the order of confiscation of goods has already been set aside the amount of redemption fine as was deposited by the appellant was an amount of revenue deposit with the department. Hence, I hold the appellant to be entitled for the interest on the refunded amount of Rs. 15.5 Lakhs (the redemption fine) to be paid from the date of its deposit at the rate of 15% per annum. As a result, the order of Commissioner (Appeals) is hereby set aside and the appeal stands allowed.

2.3 The Appellant further submitted that there is no bar against claiming interest on other refunded sums under equitable principles, especially where retention is wrongful. In the present case, the amount of ₹5,00,000/- has remained with the department for over 15 years despite the final appellate

Vishwajeet Singh

authority setting aside the fine. Thus, denial of interest would result in unjust enrichment by the state, which is contrary to legal and constitutional norms. It is pertinent to note that the said amount was paid under protest and therefore, the appellant holds the right to receive the interest on such payment of redemption fine. It relies on the following case laws:

R.R. PERFUMERS PVT. LTD. Versus COMMISSIONER OF C. EX. & S. TAX, KANPUR 2017 (358) E.L.T. 407 (Tri. All.)

Refund - Interest on delayed refund of Redemption Fine Refund order issued under powers vested with Deputy Commissioner under Section 27 of Customs Act, 1962- Revenue's argument of provisions of Section 27A of Customs Act, 1962 not applicable for delayed refund of Redemption Fine, contradictory to Deputy Commissioner's order, which was not challenged by Revenue - No merit in grounds of appeal filed by Revenue - Section 27 of Customs Act, 1962. (para 6)

MARMO CLASSIC Versus UNION OF INDIA IN THE HIGH COURT OF JUDICATURE AT BOMBAY, 2003 (157) E.L.T. 520 (Bom.)

Refund - Interest - Penalty and fine reduced on appeal To the extent of reduction, amount is refundable and if there is deprivation of this liquidity by department for unjustified reason, interest is imposable - Plea that there was no specific statutory provision for same rejected Simple interest granted at the rate of 6% p.a. from. date of filing of petition till date of payment Sections 27 and 27A of Customs Act, 1962.

RATAN UDYOG Versus COMMISSIONER OF CUSTOMS (IMPORT), MUMBAI-II, IN THE CESTAT, WEST ZONAL BENCH, MUMBAI, 2014 (299) E.L.T. 374 (Tri. Mumbai)

Interest claim Delayed payment of refund amount Refund of redemption fine and penalty paid under protest by importer becoming due consequent to order of Tribunal setting aside confiscation of goods Order of Asstt. Commissioner allowing refund dated 29-9-2008 not challenged by Department but payment delayed due to dispute raised by Department on ground of unjust enrichment which settled in favour of importer vide order dated 16-11-2010 and thereafter refund paid on 9-6-2011 Importer entitled for benefit of interest for period 29-9-2008 to 9-6-2011-Section 27A of Customs Act, 1962. [para 5].

2.4 The Appellant further submitted that the department, through letter dated 10.04.2024 issued by the Superintendent (HQ Legal), has communicated its

Vishwajeet Singh

acceptance of the Hon'ble High Court's order. There remains no further dispute on merits. The Superintendent of Customs House, Porbandar has also verified the claim and confirmed its admissibility. Hence, there remains no legal ground to deny either the refund or the interest due.

2.5 Based on the foregoing submissions and legal provisions, the appellant respectfully prays that the the impugned order-in-original be quashed and set aside to the extent of non-payment of interest on the refund amount of Rs.5,00,000/- and the impugned Order-in-original be ordered to be amended for payment of interest as applicable from the date of payment till the grant of the refund on the sanctioned amount of refund with consequential relief.

2.6. The Appellant craved leave to add, amend, alter or delete all or any of the above submissions and to produce such other and further oral or documentary evidence as may be considered necessary during the hearing. The Appellant requested for opportunity for personal hearing.

2.7 In view of the foregoing, the appellant prayed that:

i) the impugned order-in-original be quashed and set aside to the extent of non-payment of interest on the refund amount of Rs.5,00,000/- and the impugned Order-in-original be ordered to be amended for payment of interest on the sanctioned amount of refund with consequential relief;

ii) such other and further relief, as may deemed just, proper and necessary, be granted to the appellant.

3. PERSONAL HEARING:

Opportunity of personal hearing was granted to the Appellant. Shri R. C. Prasad, Consultant appeared for personal hearing in virtual mode on 29.07.2026 wherein he re-iterated written submission filed during the appeal. He relied upon the order of Hon'ble Delhi High Court in W.P.(C) 2711/2023 in the matter of Raj Kumar Batra V/s Commissioner(P).

4. DISCUSSION AND FINDINGS:

4.1 The date of the impugned order is 29.04.2025 and the date of filing appeal by the Appellant is 19.06.2025. Thus, based on the above dates, I find that the Appellant had the appeal well within the time period of 60 days prescribed under the provisions of Section 128 of the Customs Act, 1962.

Vishwajeet Singh

4.2. I find that the matter pertains to the issue of sanction of interest on refund thus there is no question of pre-deposit of 7.5% of duty demanded as prescribed under Section 129E of the Customs Act, 1962.

4.3 The Customs Office, Porbandar was requested for submission of comments of the appeal filed by the Appellant vide letter dated 08.07.2025 but no comments have been received by this office till date therefore, I am taking up the issue for decision based on the facts of the case and documentary evidence available on record.

4.4 I have carefully gone through the case records, show cause notice and corresponding order passed by the adjudicating authority and the defense put forth by the Appellants in their appeal. The following issues arise for determination:

4.5 The limited issue to be decided in the present appeal is whether the Appellant is legally entitled to interest on the refunded Redemption Fine of Rs. 5,00,000/- under the provisions of the Customs Act, 1962.

4.6. At this juncture it is important to refer to the Statutory Provisions Regarding Interest The payment of interest on refunds under the Customs Act, 1962, is strictly governed by Section 27A. The relevant extract of Section 27A is reproduced below:

"If any duty ordered to be refunded under sub-section (2) of section 27 to an applicant is not refunded within three months from the date of receipt of application under sub-section (1) of that section, there shall be paid to that applicant interest at such rate... from the date immediately after the expiry of three months from the date of receipt of such application till the date of refund of such duty."

4.7 Thus, from the plain reading of the Section 27A of the Customs Act, 1962 it is clearly established that the statutory liability of the department to pay interest arises only if the refund is not sanctioned within three months from the date of receipt of a complete refund application. In the present case I find that the refund claim of Rs. 5,00,000/- filed by the Appellant has arisen out of CESTAT order No. A/12581/2017 dated 15.09.2027 and Hon'ble High Court order dated 20.03.2024 in the matter of Tax Appeal No. 598/2018 filed by the Department.

4.8 I find that the statute does not contain any provision for granting interest from the date of initial deposit or payment of fine. In the instant case, the Appellant filed the refund claim following the Hon'ble High Court's order dated 20.03.2024. The Adjudicating Authority processed and sanctioned the principal

Vishwajeet Singh

refund amount on 29.04.2025. The Appellant has not adduced any evidence or raised any ground demonstrating that the Adjudicating Authority took more than three months to process the refund from the date the final, complete application was submitted to their office.

4.9 I find that the Appellant has relied on cases such as Finacord Chemicals, Sona Plastic Udyog, R.R. Perfumers Pvt. Ltd., Marmo Classic and Ratan Udyog to argue that equitable interest must be paid for the retention of funds. However, these arguments must be viewed through the lens of appellate jurisdiction. I find that the Hon'ble Supreme Court and the Hon'ble High Courts exercise extraordinary writ jurisdiction under Article 32 and Article 226 of the Constitution of India, empowering them to grant equitable relief, including compensatory interest outside the strict confines of the statute.

4.10 As Commissioner (Appeals), my jurisdiction is strictly circumscribed by the four corners of the Customs Act, 1962. A statutory authority cannot invoke equitable jurisdiction or constitutional provisions like Article 265 to award interest where the specific governing statute (Section 27A) does not explicitly mandate it. Further, I also opine that the amount in question was deposited as a "Redemption Fine" in lieu of confiscation under Section 125 of the Customs Act, 1962. It was neither a pre-deposit under Section 129E (where Section 129EE of the Customs Act, 1962 governs interest) nor a duty deposit. Extending the statutory interest mechanism of Section 27A to fines from the date of deposit lacks legislative backing.

4.11 The Appellant during the course of personal hearing cite the order of the Hon'ble High Court in the writ petition (C) 2711/2023 in the matter of Raj Kumar Batra V/s Commissioner of Customs(Prev). On perusal of the above mentioned order I find that the Hon'ble High Court has cited Section 129EE of the Customs Act, 1962 which categorically deals with the refund of amount deposited under Section 129E of the Customs Act, 1962. Further, Circular No. 984/8/2014-CX., dated 16-9-2014 is concerned with Stay/Dispensation of pre-deposit or refund of pre-deposit under New provision of Finance (No. 2) Act, 2014. Thus, based on the above, statutory provisions and circular I find that the aforementioned citation does not apply in the present case.

4.12 Thus, based on the above facts and findings I opine that the legislature has consciously restricted the payment of interest on refunds to situations involving administrative delay post application (beyond three months). Since there is no statutory mandate under the Customs Act, 1962 to grant interest on a redemption fine from the date of its original payment, the Adjudicating Authority committed no legal error in rejecting the claim for interest. The order passed by

Vishwajeet Singh

the lower authority is legally sound and in consonance with the explicit provisions of the Act.

5. In view of the detailed discussion and findings above, I do not find any merit in the appeal filed by the Appellant. The Impugned Order passed by the Adjudicating Authority is upheld in its entirety. The appeal filed by M/s Arcadia Shipping & Trading Co. is hereby rejected.

सत्यापित/ATTESTED
अधीक्षक/SUPRERINTENDENT
सीमा शुल्क (अपील), अहमदाबाद.
CUSTOMS (APPEALS), AHMEDABAD

Vishwajeet Singh
07.08.2026

(Vishwajeet Singh)
Commissioner (Appeals),
Customs, Ahmedabad

F. No. S/49-145/CUS/JMN/JUN/2025-26

By Registered post A.D/Email

M/s Arcadia Shipping & Trading Co., 5th Floor, City Point, Opposite Town Hall, Jamnagar

Copy to,

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad. (email: ccoahm-guj@nic.in).
2. The Commissioner, Customs (Prev), Jamnagar.
3. The Deputy/Assistant Commissioner, Custom Division, Porbandar
4. Guard File